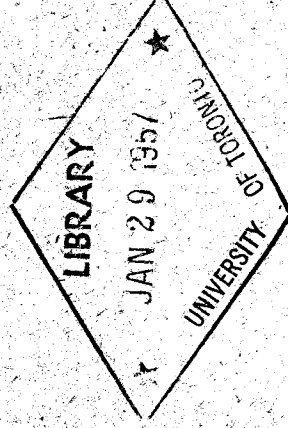

Fifth Session, Twenty-Second Parliament, 5 Elisabeth II, 1957.

THE SENATE OF CANADA

BILL J.

Act respecting The Life Underwriters Association
of Canada.

Read a first time, Tuesday, 22nd January, 1957.



Honourable Senator ROEBUCK.

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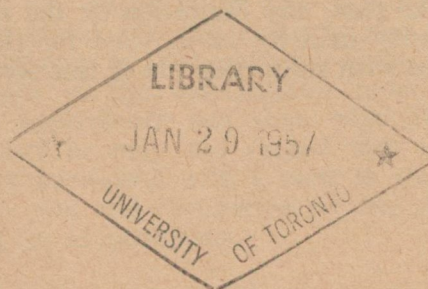
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THE SENATE OF CANADA

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An Act respecting The Life Underwriters Association
of Canada.

Preamble.
1924, c.104.

WHEREAS The Life Underwriters Association of Canada, a corporation incorporated by chapter 104 of the statutes of 1924, hereinafter called "the Association", has by its petition prayed that it be enacted as hereinafter set forth, and it is expedient to grant the prayer of the petition: 5
Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Repeal.

1. Subsection (2) of section 12 of chapter 104 of the statutes of 1924 is repealed and the following substituted 10
therefor:—

"(2) There shall not be, and shall be deemed not to have been in the past, any limitation on the total value of the real property held by or in trust for the Association in accordance with subsection (1) of this section." 15

EXPLANATORY NOTES.

Section 12 of the Act incorporating The Life Underwriters Association of Canada reads as follows:

"12. (1) The executive committee may, in the name and on behalf of the Association take, hold, possess and acquire by purchase, lease, exchange, donation, devise, bequest, endowment or otherwise, real or immovable property required for the actual use and occupation of the Association, or necessary or requisite for the carrying out of its objects; and may sell, mortgage, pledge, hypothecate or alienate such property in any manner whatever.

(2) The total value of the real property held by or in trust for the Association at any one period shall not exceed one hundred thousand dollars.

(3) No parcel of land or interest therein at any time acquired by the Association, and not required for actual use and occupation and not held by way of security, shall be held by the Association, or by any trustee on their behalf, for a longer period than ten years after the acquisition thereof, or after it shall have ceased to be required for actual use or occupation by the Association, but at or before the expiration of such period the same shall be sold or disposed of so that the Association shall no longer retain any interest or estate therein except by way of security."

This Section limits the corporate powers of the Association by: (i) restricting the purposes for which land may be acquired; and (ii) imposing an arbitrary monetary limitation of \$100,000.00 upon the value of the land which may at any one time be held by or in trust for the Association. The second limitation is, considered obsolete and also unnecessary in view of the first limitation.

The Association has for the accommodation of its head office a building located in a district of Toronto where marked changes are taking place due to redevelopment. Land values are rising and are likely to rise further as modern office buildings replace older buildings of various kinds. The value of the Association's property, when purchased, was appreciably less than \$100,000.00. Its present value may or may not exceed this sum. The property was not purchased with a view to resale and is ideally suited for use and occupation by the Association and the carrying out of its objects.

The proposed amendment would remove, retroactively, the arbitrary limitation of \$100,000.00 on the total value of the real property held by or in trust for the Association. It is considered that subsection (1) of section 12 of the Act contains adequate safeguards, and that the substitution of another amount for the limitation of \$100,000.00 imposed in 1924, might well be rendered obsolete by further increases in land values or the future needs of the Association.